



**CALIFORNIA
HOSPITAL
ASSOCIATION**

*Providing Leadership in
Health Policy and Advocacy*

March 18, 2019

Dear Members of the California Congressional Delegation:

The California Hospital Association (CHA) is writing today in strong support of The Resident Physician Shortage Act (H.R. 1763). CHA represents more than 400 hospitals and health systems, including nine academic medical centers and more than 70 teaching hospitals. These institutions train more than 10,000 residents and fellows annually, and are critical not only to the stability of the health care delivery system but also to the state's economy. They serve as an essential safety net for vulnerable communities, while providing high levels of trauma and critical care to patients in need.

The current freeze, or "cap," on the number of physician training positions that Medicare supports exacerbates the physician shortage in California and the nation. H.R. 1763 would support an additional 3,000 positions each year for the next five years, for a total of 15,000 residency positions. These additional positions would be distributed to hospitals training at least 25 percent of the full-time equivalent residents of the hospital in primary care and general surgery and requires that level to be maintained for a five-year period. A study released last year by researchers at the University of California, San Francisco (UCSF) concluded that the demand for primary care physicians will be 12 to 17 percent higher than supply by 2030. As a result, the state will be short 4,700 primary-care doctors by 2025, and as many as 8,800 by 2030. Adding these Medicare-supported positions will help ensure patients have access to needed primary care, especially in specialty areas that have severe physician shortages.

The need for physicians is growing in California, but federal and state support has not kept up. While California has historically provided some funding for primary care residencies through the Office of Statewide Health Planning and Development, there has been no state Medicaid support for graduate medical education since 2005. Currently, California teaching hospitals invest more than \$1 billion every year — beyond federal graduate medical education payments — to subsidize training programs.

We commend Reps. Sewell and Katko for introducing the Resident Physician Shortage Reduction Act of 2019 (H.R. 1763) and urge you to cosponsor this important legislation to ensure Californians will have the health care they need.

Thank you,

/s/

Anne O'Rourke
Senior Vice President, Federal Relations